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California's Young Children

Demographic, Social, and Economic Conditions

By Deborah Reed and Amanda Bailey

Summary

The social and economic circumstances of California's young children are a matter of widespread policy concern. These circumstances vary substantially by race and ethnicity, nativity and immigrant generation, and region. This issue of *California Counts* describes that variation for several indicators of well-being including parental education and work, family income, and health insurance.

Despite substantial growth in the late 1990s, median income for families with children aged five and under was lower in 2000 than it was in 1979. Low-income families fared even worse over recent decades, and 20 percent of the state's young children now live in a poor family. Poverty rates for these families vary substantially by race and ethnicity. Hispanic and Southeast Asian children in foreign-born families have the highest levels of poverty, followed by African American children, Hispanic children in U.S.-born families, and American Indians.

Over recent decades, the share of young children whose mothers participate in the labor market has been rising and now exceeds 50 percent. Compared to the rest of the nation, however, California has a large population of children whose mothers do not work outside the home. California also has a strikingly large share of young children whose parents have not completed high school—24 percent compared to 13 percent for the rest of the nation. The share of young children who live with single mothers has also risen substantially since the 1970s; in 2000, that share was 18 percent.

The circumstances of young children vary considerably by region as well. About 30 percent of California's young children live in Los Angeles County, which has a relatively high child poverty rate of 28 percent. The San Joaquin Valley, one of the state's fastest growing regions for young children, has the highest poverty rate for such children (37 percent).

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Perhaps the issue that most clearly sets California apart from other states is the need for policies that help young children in immigrant families. These children make up almost half the young child population in California.

This study demonstrates several policy challenges, most notably high poverty rates, low parental education levels, and limited health insurance coverage. Substantial regional, racial, and ethnic differences also suggest the need for strategies that are sensitive to group and regional differences. Perhaps the issue that most clearly sets California apart from other states is the need for policies that help young children in immigrant families. These children make up almost half the young child population in California, and although their families tend to have limited economic resources, they appear to be under-enrolled in current programs.

Deborah Reed is a research fellow and director of the population program at PPIC. Amanda Bailey is a research associate at PPIC. *This study relies heavily on previous work by Reed and Tafoya (2001). The authors gratefully acknowledge helpful comments from Elizabeth Burr, Amy Dominguez-Arms, Bruce Fuller, Hans Johnson, Peter Richardson, and Jon Sonstelie. The views expressed here do not necessarily reflect the views of the management of PPIC.*

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Introduction

The social and economic conditions for young children have received substantial public attention in California in recent years. In his 2002 State of the State address, for example, Governor Davis mentioned school readiness as a priority; and in the legislature this past year, the Joint Committee to Develop a Master Plan for Education included a school readiness component. In 1998, California voters also confirmed their commitment to young children by passing Proposition 10, which earmarks hundreds of millions of dollars from new cigarette tax revenues for county efforts to improve early childhood education and health resources. There is also more federal and state funding for family health insurance and child care now than a decade ago.

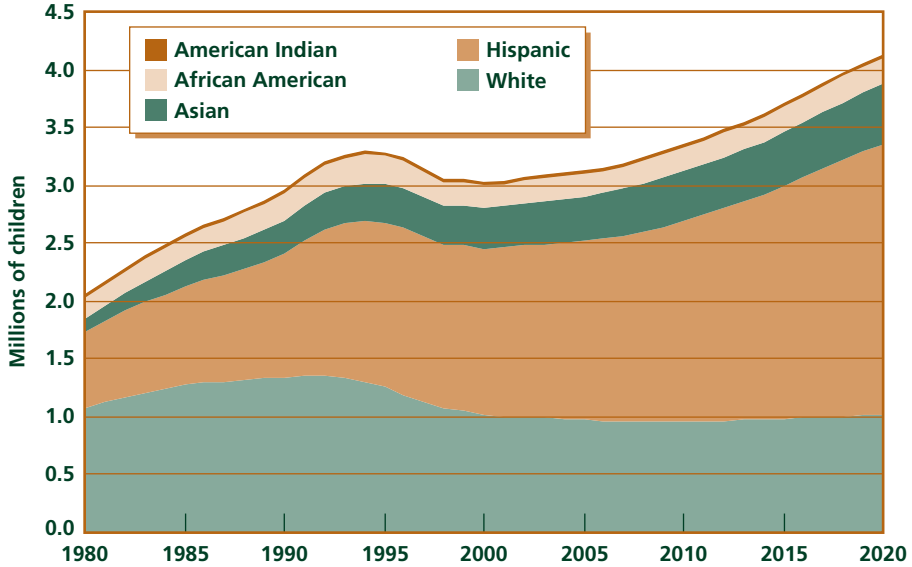
This sort of attention is part of a long-standing public concern for the well-being of California's children. The conditions in which young children grow up form the building blocks for their development into the parents, workers, voters, and leaders of California in the decades to come. A growing body of research demonstrates the importance of early childhood experiences for later educational, behavioral, and economic success.[1]

In this issue of *California Counts*, we describe demographic trends for these children and explore the social and economic conditions of their families. Because state-level indicators fail to reflect California's geographic and demographic diversity, we also highlight regional, racial, and ethnic differences within the state. Where possible, we also consider nativity and immigrant generation—that is, whether the children or their parents were foreign-born.

Demographic Trends

After growing considerably between 1980 and 1994, the number of young children in California declined during the middle and latter parts of the 1990s (Figure 1). That decline reflected a fall in fertility rates as well as high levels of out-migration to other states.[2] Today, California has over three million young children. The California Department of Finance (DOF) projects a 35 percent increase in the growth rate for young children over the next two decades.[3] If that projection proves accurate, 4.1 million young children will live in California by 2020. The projected growth in the number of young children is slightly higher than that of the overall population, leading to growth in the share of young children from 8.9 percent to about 10 percent of the total population.

Figure 1. Number of Children Aged Five and Under, 1980–2020



Source: Reed and Tafoya (2001) using estimates and projections from the DOF.
Note: Pacific Islanders are included with Asians.

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Data Sources, Methods, and Definitions

We use estimates and projections from the California Department of Finance (DOF) to study demographic trends. Because the DOF does not expect to release population projections based on the 2000 Census until the summer of 2003, we use a simple adjustment strategy to make the DOF estimates consistent with the 2000 Census. Using data from 2000 Census Summary File 1, we divide the 2000 Census young child population for each county into two groups: Hispanics and non-Hispanics. Further division into racial groups is impossible without assigning all children described in the 2000 Census as "other race" or "multiple race" to one or another DOF racial or ethnic group. For each of the two groups, we calculate a county adjustment factor such that when the DOF population projection for 2000 is multiplied by the adjustment factor, the result is equivalent to the 2000 Census estimate of county population for that group. The county adjustment factor is then multiplied by DOF population projections for 2000 to 2020. Estimates for the years between 1990 and 2000 rely on a smooth adjustment of 10 percent of the full adjustment per year: 10 percent in 1991, 90 percent in 1999, and full adjustment in 2000. We do not adjust for Census undercount.

The North Coast includes Del Norte, Humboldt, Lake, and Mendocino Counties. The North Mountain region includes Lassen, Modoc, Nevada, Plumas, Sierra, Siskiyou, and Trinity Counties. The Northern Sacramento Valley includes Butte, Colusa, Glenn, Shasta, Sutter, Tehama, and Yuba Counties. The Sacramento Metropolitan Area includes El Dorado, Placer, Sacramento, and Yolo Counties. The Sierras includes Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, and Tuolumne Counties. The San Francisco Bay Area includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties. The Central Coast includes Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz Counties. The Northern San Joaquin Valley includes Merced, San Joaquin, and Stanislaus Counties. The Southern San Joaquin Valley includes Fresno, Kern, Kings, Madera, and Tulare Counties. The Inland Empire includes Riverside and San Bernardino Counties. The South Coast includes Los Angeles, Orange, and Ventura Counties. The San Diego Area includes Imperial and San Diego Counties.

The primary data source for our analysis of social and economic conditions—the March Current Population Survey (CPS)—has a sample of fewer than 4,000 young children when we combine the 1999, 2000, and 2001 surveys. Therefore, we cannot report reliable statistics for many regions and for some racial and ethnic groups. We combine all Asian subgroups in our calculations, although research has shown substantial differences across them (Reyes, 2001). We are also unable to calculate accurate statistics for American Indians. For Southeast Asians and American Indians, we refer to work based on the 1990 Census to provide estimates of social and economic indicators. The regional and racial indicators we do report from the CPS are estimated such that differences of a few percentage points may not represent true differences. For the CPS data shown in Figure 2 and beyond, the Sacramento Metropolitan Area, the San Francisco Bay Area, and the Inland Empire are defined as above. The Central Coast is defined as above, but the CPS does not include Santa Cruz County. San Joaquin Valley includes Fresno, Madera, Merced, San Joaquin, Stanislaus, and Tulare Counties. For the southern coast of California we separate Los Angeles County, Orange County, and San Diego County to demonstrate the dramatic differences in social and economic indicators across these counties.

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Hispanics are expected to be the major source of growth in California's young child population over the next two decades. In 2000, almost half the state's young children were Hispanic, and that proportion is expected to increase to close to 60 percent by 2020.[4] In contrast, the percentage of white children has been falling for some time. In 1980, these children were the majority at 53 percent. In 2000, they made up one-third of the young child population, and that proportion is expected to drop to one-fourth by 2020.

The number of young Asian children is expected to grow substantially. Projections for 2020 suggest that Asians will make up over 12 percent of the young child population. To understand social and economic conditions for Asians, it is important to separate by ethnicity, because some Asian groups, particularly Southeast Asians,[5] are faring notably worse than other Asian groups. Projection data specific to Asian ethnic groups are not available from the Department of Finance. According to the 2000 Census, Filipinos (26 percent) and Chinese (25 percent) constitute the largest shares of Asians in California, followed by Vietnamese (12 percent), Korean, Asian Indian, and Japanese (all about 9 percent).

The number of young African American children is projected to grow at a slower rate than Hispanics or Asians so that by 2020, their share will be about 6 percent. The number of American Indian children is also projected to grow at a slow rate and their share in the population will remain less than 1 percent.

Regionally, the South Coast (which includes Los Angeles) had 40 percent of California's young children at the time of the 2000 Census (Table 1). However, the region is expected to have one of the slowest growth rates for young children between 2000 and 2020 because of projected out-migration. Compared to most other regions, the South Coast had a large share of Hispanic children (57 percent)

Table 1. Number of, Racial and Ethnic Makeup of, and Projected Growth for Young Children by Region, 2000

		Percentage					
	Number (1,000s)	Hispanic	White	Asian	African American	Other	Growth by 2020
Statewide	3,018	48	32	9	7	5	37
North Coast	21	21	63	2	1	13	37
North Mountain	13	13	77	1	1	8	50
Northern Sacramento Valley	47	25	61	5	2	7	55
Sacramento Metropolitan Area	152	25	50	9	8	8	47
Sierras	10	16	75	1	0	8	57
San Francisco Bay Area	529	30	37	18	8	7	18
Central Coast	109	53	38	3	2	4	64
Northern San Joaquin Valley	121	47	35	7	5	5	63
Southern San Joaquin Valley	214	58	28	5	5	4	60
Inland Empire	323	53	32	3	8	4	87
South Coast	1,227	57	23	9	7	4	18
San Diego Area	254	43	38	7	6	6	44

Sources: Authors' calculations from the 2000 Census; growth projections from the DOF.
Notes: "Other" includes American Indians (0.5 percent) and those of multiple race (3 percent). Pacific Islanders are included with Asians (0.3 percent). Percentages may not sum to 100 because of rounding.

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and a small share of white children (23 percent). The young child population in the San Francisco Bay Area is also expected to grow slowly over the next two decades. The Bay Area stands out as the region with the greatest share of Asian children (18 percent). The Inland Empire is the third most populous region for young children and has the highest expected growth (87 percent) over the next two decades.[6]

The three northern regions and the Sierras are relatively smaller in population and stand out as the only regions where whites still represent a majority of the population.

A dramatic trend over recent decades has been the growing share of young children in immigrant families.[7] In 2000, only 3 percent of California's young children were themselves foreign-born, but almost half had at least one parent who was born outside the United States. This share was roughly three times that in the rest of the nation. Most of the young children in California's immigrant families were Hispanic (74 percent). About 11 percent were Asian.

The proportion of young children in immigrant families varies substantially by region (Figure 2). In 2000, nearly two-thirds of young children in Los Angeles County had at least one foreign-born parent. In the Sacramento Metropolitan Area and Inland Empire, that share was 30 percent. Although we know that the state's northern regions have the lowest concentrations of immigrants, the data do not permit accurate estimates of the share of children with immigrant parents in these regions.

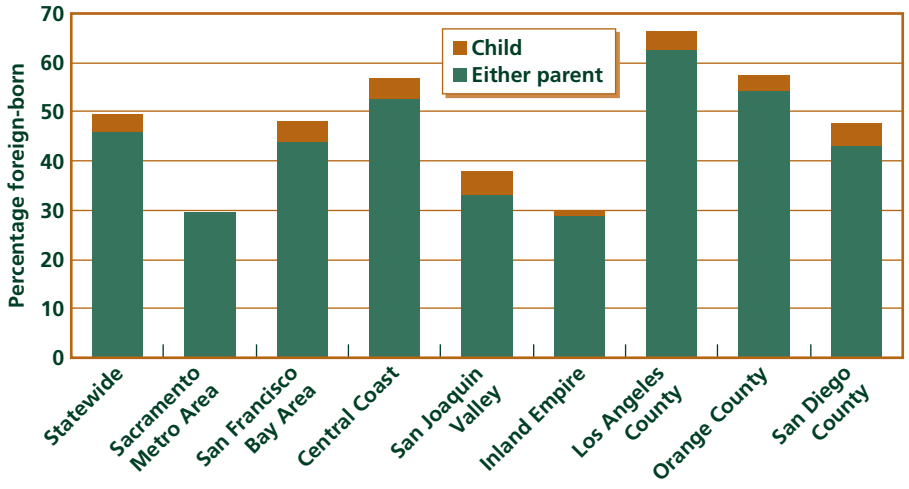
Social and Economic Indicators

The resources available to young children depend heavily on the structure of their families, as well as on their parents' work status and educational levels, family income and public assistance, health insurance, and residential mobility. In this section, we describe these social and economic indicators.[8]

Family Structure

Research shows a set of associations between growing up in a single-parent family and child poverty, anxiety, early parenthood, and low educational attainment.[9] Taken together, these associations make family structure a significant predictor of child well-being. In 1980, almost 80 percent of young children in California lived with married parents. By 2000, that share had fallen to 70 percent (Figure 3). The majority of children not living with married parents lived with single mothers (18 percent) or partnered parents (5 percent).[10] Very few children lived with their single father (2 percent), another relative (2 percent), or a non-relative (1 percent). Living arrangements in the

Figure 2. Immigrant Status of Young Children by Region, 2000



Source: Authors' calculations from the March CPS, 1999–2001.

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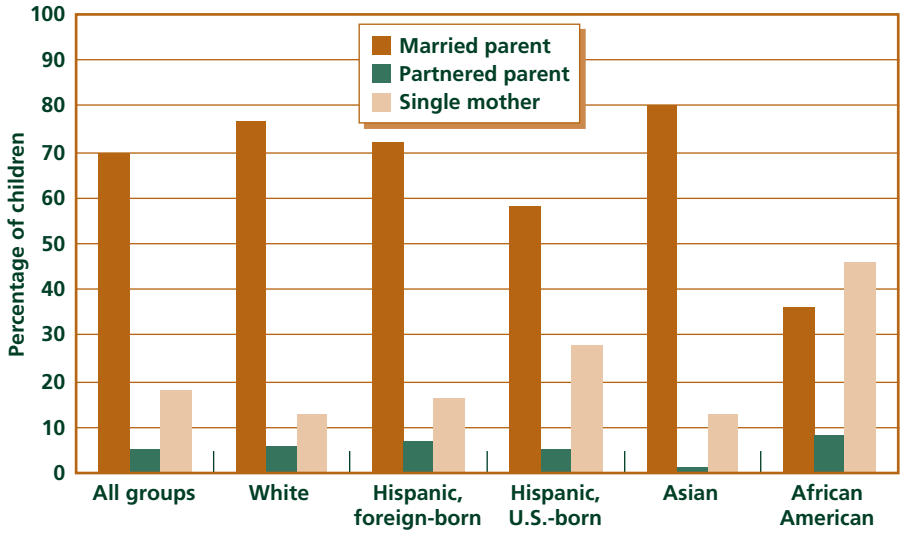
Figure 3. Young Children's Family Structure by Race and Ethnicity, 2000



Source: Authors' calculations from the March CPS, 1999–2001.

Notes: Foreign-born status is determined by the birthplace of the family head. The CPS data do not include children living in institutions.

Family structure varied tremendously across the state's major racial and ethnic groups.

rest of the nation were very similar to those in California: 70 percent of children lived with married parents, 5 percent lived with partnered parents, and 20 percent lived with single mothers.

Family structure varied tremendously across the state's major racial and ethnic groups. Only 36 percent of African American children lived with married parents, whereas 80 percent of Asian children did. Regional variation in family structure is less substantial, although the San Francisco Bay Area and Orange County had relatively high shares of children living with married parents—about 80 percent (not shown).

Work Participation

By 1999, the majority of California's young children had mothers who worked outside the home. About 60 percent of children with single mothers fell into that category, and 53 percent with married mothers did. About one-third of children had a mother in the workforce full-time.[11] Children aged two and under had mothers who worked at slightly lower rates: 47 percent of those with single mothers had mothers who worked, and 52 percent of those with married mothers did. These rates were substantially lower in California than in the rest of the nation, where the corresponding maternal workforce figures were 71 percent for young children with single mothers and 63 percent for those with married mothers.

The racial and ethnic makeup of California's population explains part of the gap with the rest of the nation.[12] Hispanic children in foreign-born families make up a much larger share of the population in California than elsewhere, and their mothers have relatively low workforce participation rates (Table 2). Among young children with single mothers, whites and Asians had relatively high shares of mothers working full-time. For children with married mothers, African Americans and Asians had higher shares of mothers working full-time.

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Table 2. Workforce Participation by Racial and Ethnic Group, 1999 (percentage of children)

	Annual Hours		
	< 200	200–1,599	1,600 +
Single mothers			
White	33	26	42
Hispanic, foreign-born	48	21	31
Hispanic, U.S.-born	41	31	28
Asian	37	22	41
African American	37	32	31
All groups	40	26	34
Married mothers			
White	43	25	32
Hispanic, foreign-born	57	19	25
Hispanic, U.S.-born	41	24	35
Asian	42	16	42
African American	34	21	44
All groups	47	22	31
Married fathers			
White	4	7	89
Hispanic, foreign-born	4	13	82
Hispanic, U.S.-born	5	9	86
Asian	8	10	83
African American	17	8	75
All groups	5	10	85

Source: Authors' calculations from the March CPS, 1999–2001.
Note: Foreign-born status is determined by the birthplace of the family head.

Most young children in California had fathers who worked, with full-time paternal participation rates ranging from three-quarters of African American children to 89 percent of white children. The high overall rates for Asian children mask slightly lower rates for children with foreign-born fathers and substantially lower rates for those with Southeast Asian fathers (Reed and Tafoya, 2001).

In the regions we studied, there was relatively little variation in the share of children with married mothers who work. For children with single mothers, those in the San Joaquin Valley and the southern regions (with the exception of Orange County) had lower maternal workforce rates than those in the Central Coast, San Francisco Bay Area, and Sacramento Metropolitan regions.

Rising maternal employment rates have coincided with the increased use of child care. Although federal and state funding for child care has risen in recent years, many eligible families do not receive subsidized child care (Adams, Snyder, and Sandfort, 2002). Among young children in low-income families with an employed parent, almost half receive primarily parental care (Table 3). The most common non-parental arrangement for these children is care by a relative (25 percent) followed by center-based care (17 percent). Children in higher-income families are more likely to receive center-based care and less likely to receive parent care. Overall, California's young children are less likely to be in center-based care than children in the rest of the nation.

Parental Education

Parents are typically the earliest educators of young children, and research has shown that parental education is a strong indicator of a child's cognitive development and school success (Haveman and Wolfe, 1995; Manski et al., 1992; and World Bank, 1993). Parental education is also a major determinant of family income. For these and other reasons, it is a useful predictor of child well-being.

In 2000, almost one in four young children in California lived in a family in which neither parent—or, in the case of families with unmarried parents, the custodial parent—had a high school diploma (Figure 4). The share of children in low-education households in California has been fairly steady over the past two decades and was almost twice the share for

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Table 3. Primary Child Care Arrangements for Children Under Age Five with an Employed Parent, 1999 (percentage)

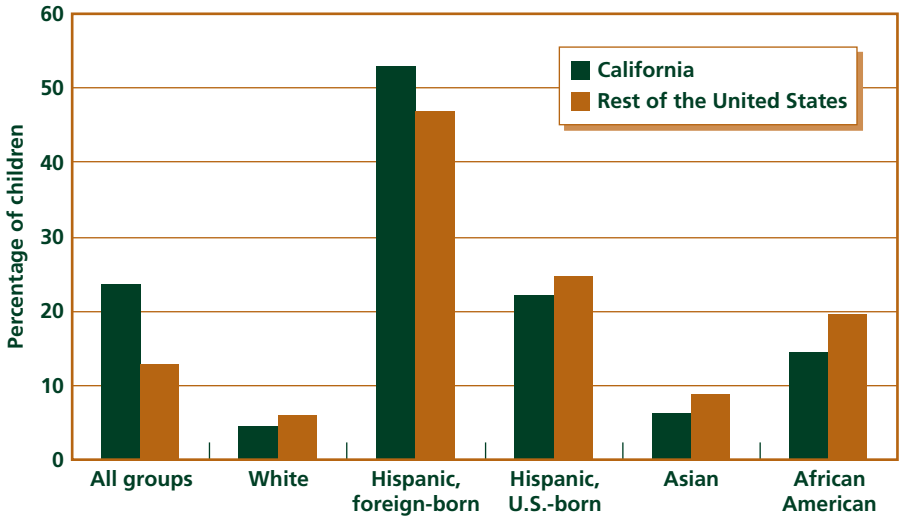
	California			United States		
	Low Income	Higher Income	All Income	Low Income	Higher Income	All Income
Center-based care	17	24	22	23	30	28
Family child care provider	10	15	13	12	15	14
Nanny/baby-sitter	3	8	7	3	5	4
Relative care	25	28	27	29	26	27
Parent care	45	25	31	33	24	27

Source: Sonenstein et al. (2002) from the *1999 National Survey of America's Families*.
Notes: Low income is defined as any income less than twice the federal poverty level; all other incomes are considered higher income. We do not have regional, racial, and ethnic breakdowns for child care.

the rest of the nation, which was 13 percent in 2000.

Much of the difference between California and the rest of the nation is related to the greater share of foreign-born Hispanic families in California.[13] More than half the young children in such families had parents (or an unmarried parent) who lacked a high school diploma. For every other racial and ethnic group we studied, the share of children with low-education parents was lower in California than in the rest of the nation. Within California, the share was particularly high for Hispanic children in U.S.-born families, 22 percent. For African American children, the share was 14 percent; for white children, 5 percent. The overall share for Asian children was 6 percent, but that figure tends to be much higher for Southeast Asian children.[14]

Figure 4. Young Children Whose Parents Lack a High School Diploma, 2000



Source: Authors' calculations from the March CPS, 1999–2001.
Note: Differences of a few percentage points are not statistically significant.

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Children in high-income families in 2000 were substantially better off than their 1979 counterparts, whereas children in low-income families were no better off than their counterparts two decades earlier.

In the San Francisco Bay Area, only about 10 percent of young children were growing up in families in which neither parent had completed high school. The share for the Sacramento Metropolitan Area was also less than 15 percent. The Central Coast, San Joaquin Valley, and Los Angeles County had substantially higher shares of roughly 30–35 percent.

Income, Poverty, and Public Assistance

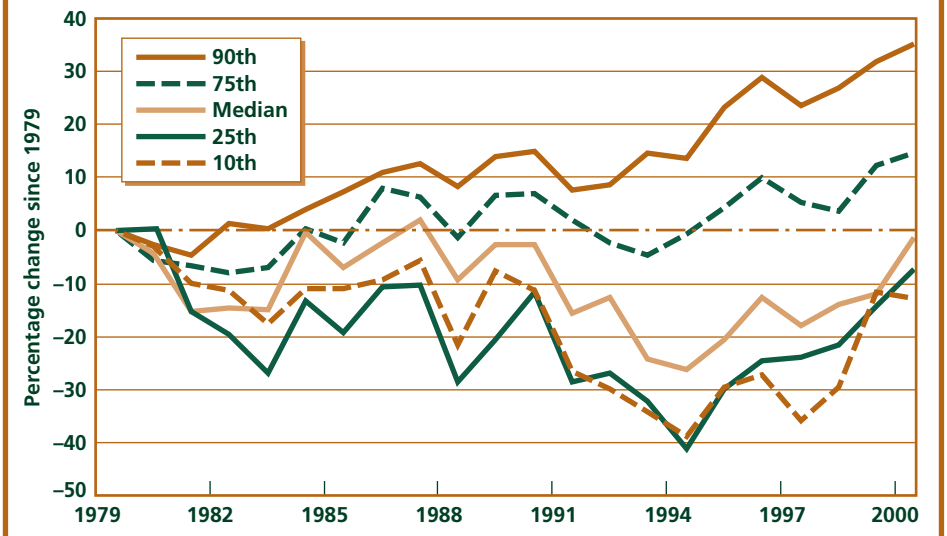
Family income is an important determinant of child development. Children who grow up in poor and low-income families have fewer resources for such things as high-quality preschool. Research shows that growing up in poverty can limit a child's cognitive ability and early school achievement (Smith, Brooks-Gunn, and Klebanov, 1997).

Although California's median family income in 2000 was $43,900, the figure for families with young children was $39,800—about $4,100 less than the corresponding figure for the rest of the nation.[15] In California, that figure has risen substantially since 1994, when the median for families with young children was only $29,800 (in 2000 dollars). However, the 2000 median still had not reached the inflation-adjusted level attained in 1979 of $40,300 (Figure 5).[16]

White and Asian young children belong to families with the highest median incomes, although the income levels of foreign-born Asians, especially Southeast Asians, are lower (Table 4).[17] Hispanic children in foreign-born families have the lowest median income of $21,100. Regionally, the San Francisco Bay Area stands out with the highest median income of $67,700. Of the regions studied, the San Joaquin Valley has the lowest median at $21,900.

For children in families at the 10th and 25th percentiles, family income followed the same trend as the median: Income declined from 1979 to 1994, has grown substantially since then, but has not recovered to 1979 levels (Figure 5). At the 75th percentile, median family income in 2000

Figure 5. Percentage Change in Real Family Income for Young Children by Income Percentile, 1979–2000



Source: Authors' calculations from the March CPS, 1980–2001.
Note: Income is adjusted for inflation and for family size.

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was 15 percent higher than in 1979. At the 90th percentile, 2000 income exceeded 1979 levels by 35 percent. Thus, children in high-income families in 2000 were substantially better off than their 1979 counterparts, whereas children in low-income families were no better off than their counterparts two decades earlier.

In 2000, the national income threshold that defined the poverty rate for a family of four was $17,463. Using that definition, we estimated the poverty rate for California's young children to be over 20 percent (Figure 6). That figure has fallen from a high of 32 percent in 1994 but still exceeds the 1979 rate (18 percent) and far surpasses the 1969 rate, which was just over 13 percent (not shown). The 2000 poverty rate for young children was higher in California than in the rest of the nation, where it was 18 percent.

The official definition of poverty has been criticized because it does not account for regional price variations and income needs. We therefore measured the share of children in low-income families using a different threshold—75 percent of median California income—which is also used across the state to determine eligibility for child care subsidies. By this measure, over 40 percent of young children were in low-income families in 2000 (Figure 6).

Hispanic children in foreign-born families have the highest poverty and low-income rates of 36 and 66 percent, respectively (Table 4). Poverty and low-income rates are also particularly high for African Americans and for Hispanics in U.S.-born families. Asians have relatively low poverty rates (9 percent) and low-income rates (21 percent), but other research shows that foreign-born Asians tend to have higher poverty rates. Southeast Asians and American Indians

Table 4. Income, Poverty, Public Assistance, Health Insurance, and Mobility, 2000

	Median Income, $	Percentage				
		Poor	Low Income	Public Assistance	No Health Insurance	Residential Move
Statewide	35,400	22	43	11	20	35
White	58,600	12	27	8	11	34
Hispanic, foreign-born	21,100	36	66	12	33	33
Hispanic, U.S.-born	33,300	26	46	15	17	37
Asian	58,500	9	21	7	18	35
African American	29,500	25	56	26	20	43
Sacramento Metropolitan Area	34,400	24	49	21	8	38
San Francisco Bay Area	67,700	9	21	3	13	32
Central Coast	27,100	28	62	9	24	47
San Joaquin Valley	21,900	37	59	21	16	39
Inland Empire	36,500	20	44	9	26	23
Los Angeles County	29,400	28	50	12	24	30
Orange County	49,300	11	32	4	28	35
San Diego County	34,500	21	40	14	22	42

Source: Authors' calculations from the March CPS, 1999–2001.
Notes: Statistics based on combining three years of data. Foreign-born status is determined by the birthplace of the family head. Residential move indicates moves in the past year. For children under age one, we use the residential move of the parent or parents.

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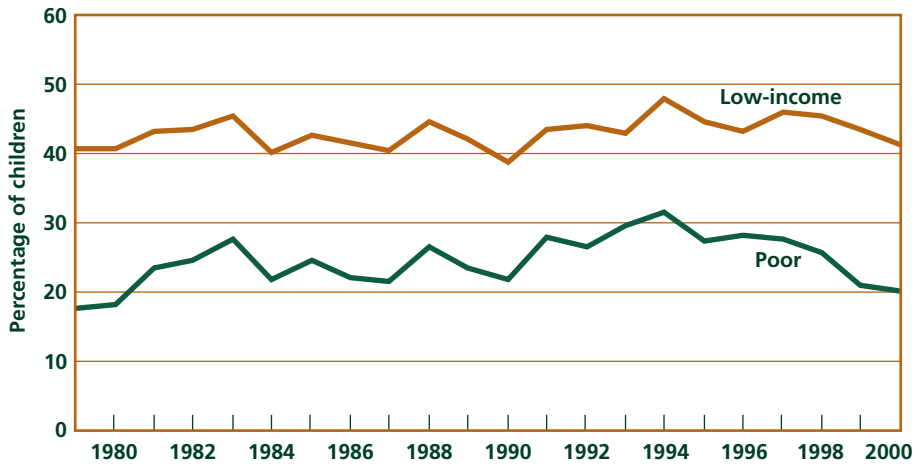
Despite the recent expansion of health insurance programs for children and families in California, 20 percent of the state's young children remain uninsured compared to 15 percent in the rest of the nation.

Figure 6. Young Children in Poor and Low-Income Families, 1979–2000



Source: Authors' calculations from the March CPS, 1980–2001.

also have high poverty rates.[18] The San Francisco Bay Area stands out as the region with the lowest poverty levels for young children—9 percent—whereas poverty in the San Joaquin Valley is as high as 37 percent.

The public assistance rate measures the share of young children whose families receive cash benefits from public assistance, including CalWORKs and local welfare programs. Statewide, the percentage of young children receiving public assistance—11 percent—is about half the percentage of young children in poverty (Table 4). Public assistance use has declined substantially since the mid-1990s, when it peaked at about 20 percent. Owing to welfare reform and a strong economy, the current level is the lowest in the past 20 years. Among Hispanic children in foreign-born families, only 12 percent receive public assistance despite a poverty rate of 36 percent. At over 20 percent, public assistance rates are particularly high in the Sacramento Metropolitan Area and the San Joaquin Valley.

Health Insurance

Health insurance promotes the regular use of preventive care and well-child visits and is therefore closely tied to child well-being. Despite the recent expansion of health insurance programs for children and families in California, 20 percent of the state's young children remain uninsured (Table 4) compared to 15 percent in the rest of the nation.

Again, much of this gap is explained by California's high share of Hispanic children in foreign-born families.[19] One-third of these children are uninsured—three times the rate for white children. Overall, the Sacramento Metropolitan Area has the lowest uninsured rates (8 percent).

Residential Mobility

Child development theory suggests that stability is a positive component in children's mental and emotional development. Residential mobility may be a destabilizing factor for young children, but when the move is to better neighborhoods and better school districts, such mobility may benefit many children. Because a number of programs for children are provided

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locally, residential mobility is a significant issue for providing consistent services to children. For example, moving may lead to a change in child care providers or the loss of helpful community services.[20]

About one in three young children in California moves residence each year (Table 4). For children in low-income families, that share is over 40 percent. Residential mobility is about the same in California as in the rest of the nation, where 35 percent of young children move each year.

Over 40 percent of African American children move each year, and the rate for low-income African American children is over 50 percent. Otherwise, residential mobility does not vary substantially by race and ethnicity. Compared to the other regions we studied, the Central Coast has particularly high mobility rates of 47 percent.

Conclusion

The findings reported in this study—high poverty levels, low parental education and health insurance rates, and significant variation across regions and groups—point to serious policy challenges. Population growth by itself will present such challenges if, as projected, the number of young children grows by 35 percent over the next two decades. These challenges will be heightened as the state budget tightens and if the economy worsens. However, there are several bright spots in the current policy context. Proposition 10 will continue to provide hundreds of millions of dollars for early education and health resources for young children. With expanded health insurance and child care subsidies from the federal and state governments, California and its localities will have more resources to address the needs of the state's most vulnerable families. And because social services for children are mainly developed and delivered at the county level, the flexibility of the current system may help address the sometimes dramatic differences in the needs of children across regions of the state.

The most striking difference between California and the rest of the country is the state's large share of children in immigrant families. Furthermore, most indicators show that, on average, Hispanic and Southeast Asian foreign-born families are among the neediest in the state. Yet there is some evidence that programs designed to help children are not reaching these families, particularly Hispanic ones. Despite their high poverty rates, only 12 percent of Hispanic children in foreign-born families receive public assistance, and 33 percent of these children have no health insurance. Beyond the indicators measured here, lack of English skills poses additional barriers for these families.[21] Because the children in these families will make up a large share of California's adult population, the state can hardly afford to fail them. ◆

Notes

[1] Illig (1998) reviews research on the importance of early childhood experiences for later success and describes early childhood programs in California. For analysis of the effectiveness of specific policy measures, see Karoly et al. (1998) and Karoly (2002).

[2] For fertility trends, see Johnson, Hill, and Heim (2001). For domestic migration from California, see Johnson (2000).

[3] For a discussion of alternative population projections, see Johnson (1999). Recent work on fertility suggests that the Department of Finance projections may be too high, especially for Hispanics (Johnson, Hill, and Heim, 2001).

[4] Hispanics of any race are included in the count of Hispanics. Thus, estimates of white children are actually for white non-Hispanic children; estimates for African American children are for non-Hispanic African American children; and so on.

[5] We use the term "Southeast Asians" to refer to the Southeast Asian ethnic groups who primarily came to the United States under refugee status: Vietnamese, Laotian, Cambodian, and Hmong. Together these groups make up about 2 percent of all Californians.

[6] For a discussion of regional population and economic differences in California, see Johnson (2002).

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[7] We use the term "immigrant family" for young children with at least one foreign-born parent. Elsewhere in the text, we refer to "foreign-born families" and "U.S.-born families" determined by the birthplace of the head of the family.

[8] For a more complete discussion of these measures and others (e.g., teenage mothers and childhood vaccinations) as well as county-level indicators, see Reed and Tafoya (2001). For additional indicators of child well-being in California, see Children Now (2001) and PACE (1989).

[9] A direct causal link between growing up with a single parent and these outcomes has not been definitively established. See Duncan and Brooks-Gunn (1997); McLanahan and Sandefur (1994); and Lipman and Offord (1997).

[10] The CPS allows people to identify as the "partner" of the head of household. We use this self-identification to measure "partnered parents." This measurement does not capture partnerships for other household members. See Casper, Cohen, and Simmons (1999) for a discussion of measures of cohabitation.

[11] We use 200 hours of work in the previous year as a threshold for workforce participation and 1,600 annual hours as the threshold for full-time work. The CalWORKs program requires 32 hours of work per week, which would total 1,600 annual hours with two weeks of vacation.

[12] A simple shift-share analysis suggests that if the rest of the nation had the same racial and ethnic distribution as California, maternal work participation would drop about five percentage points. That is, the gap between California and the rest of the nation would close by roughly half. However, the lower work participation rates in California held true for every racial and ethnic group included in this study except for married Asian mothers.

[13] A simple shift-share analysis suggests that if the rest of the nation had the same racial and ethnic distribution as California, its share of children with neither parent completing high school would be the same as California's.

[14] Reed and Tafoya (2001) report that in 1990, 47 percent of Southeast Asian young children and 23 percent of American Indian young children had fathers who had not completed high school.

[15] Median income is the level of income at which half of people are in families with lower income. Income figures used in this report were adjusted for inflation to 2000 dollars using the CPI-U-X1 for California and adjusted for family size based on the poverty threshold to create "equivalent income" for a family of four. See Reed (1999) for a discussion of these adjustments.

[16] These statistics are based on a different sample of families in each year. Thus, they do not show how the incomes of the same families have changed over time. For example, the highest point in Figure 5 shows that high-income families at the 90th percentile in 2000 earned 35 percent more than families at the 90th percentile in 1979.

[17] Reed and Tafoya (2001) report that the median family income of young Southeast Asian children was only $18,400 in 1989 compared to $38,000 for other foreign-born Asian families and $56,400 for U.S.-born Asians. The median for American Indian families was $30,000.

[18] Reed and Tafoya (2001) found that 9 percent of young children in U.S.-born Asian families were living in poverty in 1989. The figure for children in foreign-born Asian families was 21 percent. For Southeast Asians, it was 49 percent. For American Indians, it was 28 percent.

[19] A simple shift-share analysis suggests that if the rest of the nation had the same racial and ethnic distribution as California, its share of children without health insurance would be the same as California's. For each racial and ethnic group we study, the share of uninsured children is roughly the same in the rest of the nation as it is in California.

[20] See Illig (1998) for a discussion of community programs for young children in California.

[21] See Tafoya (2002) for a description of the linguistic landscape of California's school children.

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